

Thrive

with you for
generations
to come



An eye on charity



We spoke to Mark Cassidy, Senior Relationship Manager at Public Trust, who told us all about Thomas George (TG) Macarthy and the Charitable Trust set up in his name nearly a century ago.

The TG Macarthy Trust, managed by Public Trust, is fast approaching its centenary year and is still giving to the Wellington community. This year the Trust distributed over \$2.5 million in funding to over 660 local charitable and educational organisations in the greater Wellington region. As one of New Zealand's most well-recognised and enduring private charitable organisations, the Trust has now granted over \$56.3 million since initiation in 1912.

"Each year we receive letters of thanks from a long list of beneficiaries expressing their gratitude for the level of support provided and the difference the grants make. We are very pleased to be able to help so many deserving organisations through the work of the Trust," commented Mr. Cassidy.

The life and times of TG Macarthy

TG Macarthy lived a rewarding life, starting out in London in 1833 and then, as a young man, being drawn by prospects of finding gold moved to Victoria, Australia, in the 1850s. Subsequently this led to a move across the Tasman where he found himself involved in New Zealand's gold rush, beginning in Otago in 1865 and eventually ending up in Reefton on the South Island's West Coast.

Continued overleaf...

Welcome to a new issue of Thrive

In the January issue of Thrive I wrote of a number of significant events that unfolded last year and the impact they had on the South Island. Since then, Christchurch has been rocked by a second earthquake which has impacted the lives of many people at great personal and financial cost to the region. At Public Trust our thoughts are with all of those who have been affected including our customers, our people and the wider Canterbury community.

The extraordinary examples of courage and support, as people have come together to help each other in Christchurch, reflect the strong human spirit of our nation. In this issue we share some stories of New Zealanders who have also provided long lasting support to their communities.

Our commitment to the city of Christchurch is unwavering. We've moved quickly to ensure that customers who need our support have access to the expertise we offer – while we get our business operations back to normal. More information on our new Christchurch locations can be found inside.

Public Trust is dedicated to looking after you and your family now and for the future. That's why in the coming months we'll launch a new investment service designed to better meet your needs. We've also introduced a new feedback service where we'll be asking you to provide us with comments on your most recent interaction with us, to find out how we're doing.

As the evenings get darker and a little cooler it's a good time to take stock for the winter ahead by making sure you have plans in place. We look forward to helping you in any way we can to protect and grow the important things in your life.

I thank you for your continued support during a most challenging time where our country has shown a caring, community spirit for our fellow New Zealanders.

With best wishes,

Grenville Gaskell
Chief Executive



Updates...

Our new Christchurch premises

To find out more call 0800 317 471 or visit our website

While we're no longer able to conduct business at our customer centre in the CBD, we're available to help New Zealanders grow and protect the important things in life from a new location.

We've opened a temporary customer centre at: →

16 Hickory Place, Islington, Christchurch

In mid-May we'll be opening our new permanent customer centre at: →

70-72 Riccarton Road, Riccarton, Christchurch

If you'd like to talk to us, call us on 0800 371 471 or visit our temporary contact centre. You can visit our website at www.publictrust.co.nz for updates and to find out when our new permanent customer centre in Riccarton will open.

Working for Families (WFF) Tax Credit changes

From 1 April the definitions of income for calculating settlors entitlement to the WFF tax credits, student allowances and the Community Services Card have changed. These changes may affect Trusts that are applying for social assistance. Contact Inland Revenue for more information. If you're a settlor of a family trust and want to discuss these changes and your entitlement please contact your adviser.

Loss Attributing Qualifying Company (LAQC) changes

From 1 April, LAQCs will no longer exist. Unless action is taken, existing LAQCs will become standard qualifying companies. There are transitional rules allowing LAQCs to move to another type of tax paying entity, including the new 'Look Through Company', with no a tax cost between 1 April 2011 and 31 March 2013. If you're a settlor of a family trust our advisers can assist you with applying your accountant's or tax adviser's advice.

An eye on charity continued...

Thomas valued the importance of a cold beer at the end of a hard day, so established a small brewery at Charlston which kept the local miners in high spirits. After 12 years of business and looking to expand, he relocated to Wellington and purchased Messrs Mace and Arkell's brewery in Old Custom House Street (now Custom House Quay) and another in Tory Street. The Tory Street property, originally known as Phoenix before being changed to City Brewery, is still owned by the Trust today. Behind the brewery, Thomas erected a two-storey, sixteen-quarter malthouse of wood and iron.

Always willing to lend a hand

Once settled in the Nation's capital, Thomas became a prominent figure in most local matters. As well as being a successful business man, he actively participated in public affairs and is recorded as a Director of the Bank of New Zealand and President of the Wellington Racing Club, amongst many other offices. Throughout his life he was a generous philanthropist who very rarely requested acknowledgment of his donations. He also gave freely of his time to help local communities.

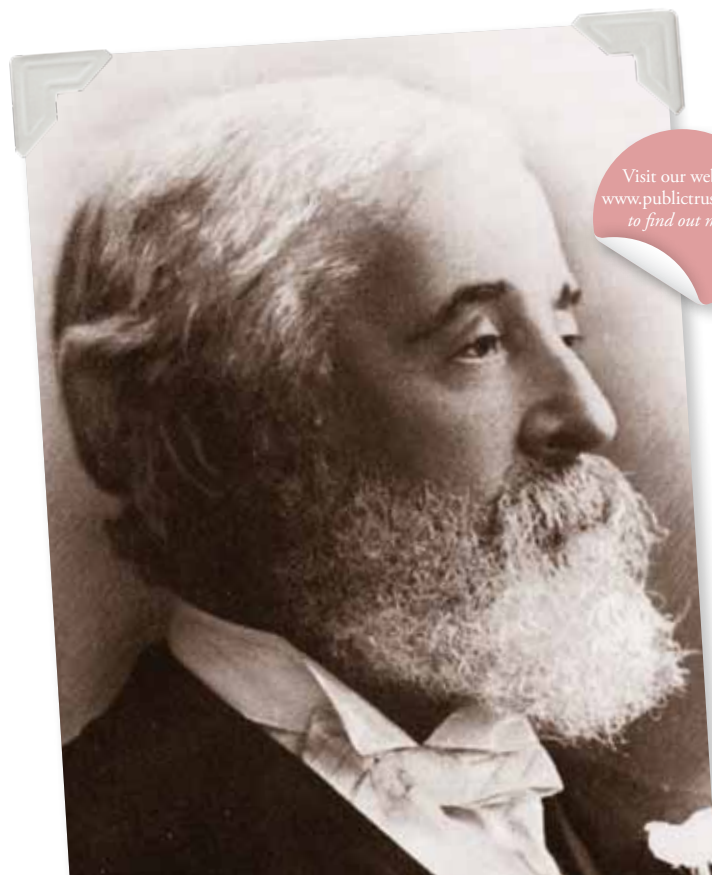


An enduring legacy

This year the recipients of TG Macarthy Trust grants include a range of organisations supporting early childhood care, youth development, education, hospitals and ambulances, the elderly, mental health and a variety of other social services.

The upcoming centennial milestone, taking place in 2012, is a mark of the lasting contribution that TG Macarthy continues to make to the Wellington region.

Public Trust administers more than 450 charitable trusts for distribution to interests as diverse as science, education, medicine, disability and agriculture. Collectively, the trusts provide the means for many people to live better lives, enhance their skills or enjoy better community facilities and activities. Public Trust can also help you set up a charitable trust so that you too can have a lasting legacy.



Visit our website www.publictrust.co.nz to find out more



FOCUS ON PERSONAL ASSIST

A helping hand...

Many New Zealanders face a time when managing personal affairs is the last thing on the mind – but knowing there's help at hand can make all the difference. Here's a real story, with names changed, about a classic Kiwi and how we were able to help.

Brian and loving wife, Donna, had three children; Aaron, James and Tania. When Brian was 72, Donna was diagnosed with a serious illness and soon passed away leaving Brian alone in the family home in Kelburn, Wellington. Donna was the one who looked after the financial affairs for the family.

Still distressed after two years on his own, Brian, now walking with a cane, came in to Public Trust to update his Will with adviser Nikki Thompson. While writing the new Will, Nikki found Brian had accumulated a large amount of debt over the years. He had sixteen bank accounts and, along with the credit cards attached to them, they were all overdrawn. Brian also owed money to his children.

Beginning the experience

With Brian's support, Nikki made contact with one of his children to discuss moving him into a retirement home. They had all talked about him making this move so were thankful for her call. They agreed that Nikki would be the ideal person to help out their dad and were happy to come in and work with her to set things up.

Nikki began her services by streamlining Brian's bank accounts and credit cards and setting up both property and personal care and welfare Enduring Powers of Attorney. She helped him prepare his house and put it on the market. It sold quickly for a sum which was more than sufficient to pay back Brian's debt. The rest was invested in one of Public Trust's managed funds which allowed him to remain independent after Nikki helped him into a retirement home. His children appreciated the straightforward legal approach Nikki took in ensuring everything was being properly managed and that their father was being cared for – and even walking without his cane.

The situation Brian and his family faced is not uncommon amongst New Zealanders. Before Brian and Donna retired, they had a healthy combined household income. Because of his emotional situation once Donna died, he found himself unable to manage his affairs as he would have liked.

Moving forward...

Brian has also since passed away, but did so without his cane. He credits Public Trust's Personal Assist service for giving him the impetus to become active again and be a valued member in his local community, without the burden of managing his personal affairs. Before he died he set up inheritance trusts for all his children and his Pre-paid Funeral Trust meant Aaron, James and Tania didn't have to worry about funeral expenses. Brian's family appreciated the support given to their father and for looking after his affairs allowing them to spend quality time with him.

With a group of trained advisers specialising in Personal Assist, Public Trust can help look after and grow the important things in your life while you get on with living. If you would like advice regarding your own situation, please feel free to call or make an appointment with one of our advisers.



Taking care of your loved one's last wishes

Public Trust administers over 2000 of New Zealand's estates each year, more than anyone else, providing a specialist service from start to finish. You're a valued customer, so we think it's a good idea to clarify just how our service works.

Here's an outline of the process:

1. Meet with the beneficiaries to explain the Will and agree on a Plan of Administration.
2. Confirm assets of the estate and arrange any valuations.
3. Get court approval to proceed with administration.
4. Collect and manage the assets and pay taxes and debts.
5. Divide the estate and distribute to beneficiaries.
6. Provide beneficiaries with investment and administration options for their inheritance
7. Account for everything.

Throughout the process, our estate specialists will take care of everything – listening and consulting with beneficiaries. In simple cases this process may take just a few weeks. Generally, an estate will take between three and six months to complete, but the estate administration process can take much longer if the estate is complex or there are legal or family issues.

If, as trustee, we distribute the estate within six months, we can be held liable if any claims are made against the estate (claims may be made for up to one year). Early distribution may be possible and this is can be discussed with your adviser.

There's a lot to think about when you lose a loved one. It can be a stressful time, but we're here to help make sure final wishes are carried out efficiently and sympathetically.

Congratulations to Jocelyn Beadle of Invercargill, who won the Public Trust Classic Kiwi Time Out Experience and chose \$2,000 of House of Travel vouchers for her son's sporting travel and \$2,000 in Mitre 10 vouchers for home renovations.



Bills are a part of life, but we're giving you the chance to wave goodbye to them for a while.

Attend an appointment with us by 30 June 2011 and you'll automatically go into the draw to win a \$5,000 Prezzy Card, a pre-paid gift card which can be used at Visa retailers in store at selected online stores, and over the phone.

If you win you can use it any way you want. Whether to take care of the groceries, fill up the car, or pay the power bills for a while. Or you could put it towards something for the home, it's up to you. And with the money you save you could treat yourself and the family.

Refer to
www.publictrust.co.nz
for terms and conditions.

Did you know...

In 2002 Public Trust reviewed the way estate administration was charged. We moved away from the typical practice of charging a percentage of the estate. We replaced this with a mix of fixed fees and hourly rates so customers are now charged for the work we do based on the time taken to settle the estate, not on its value. Therefore, a more straightforward estate will cost less to administer than a more complex one.

Although the change was made eight years ago, we continue to receive feedback showing that many people still think we charge based on estate value. In a recent article from Consumer magazine, where estate and Will expenses were reviewed, Public Trust had the lowest estate fees when compared to other Trustee companies and most lawyers¹. We were excited to hear this news and recent feedback supports our decision to change.

"I like the fact that they charge now by work done, rather than % of estate and at a rate that's lower than lawyers. That suggests good value-for-money."

¹ Independent research carried out by Consumer Magazine. ('When there's a Will...' Jessica Wilson, p 24-26, issue 502, May 2010). Example based on administering a simple estate (a house in joint ownership, personal savings of \$50,000 and life insurance policy worth \$100,000) where the sole beneficiary is the surviving partner.

Get in touch!

We're located in the heart of communities across the country, so why not pop in and see us? Visit www.publictrust.co.nz to find your nearest Public Trust customer centre.

Or you can...

Call us on **0800 371 471**
email info@publictrust.co.nz
or visit www.publictrust.co.nz

A final word on advice...

This newsletter contains general information only – it is not a substitution for professional advice. No liability will be accepted for any loss incurred by relying on this newsletter.